

Procedure file

Basic information		
RSP - Resolutions on topical subjects	2011/2610(RSP)	Procedure completed
State of the Union		
Subject 8 State and evolution of the Union		

Key players		
European Parliament		
European Commission	Commission DG Secretariat-General	Commissioner BARROSO José Manuel

Key events			
28/09/2011	Debate in Parliament		Summary
28/09/2011	End of procedure in Parliament		

Technical information	
Procedure reference	2011/2610(RSP)
Procedure type	RSP - Resolutions on topical subjects
Procedure subtype	Resolution on statement
Legal basis	Rules of Procedure EP 132-p2
Stage reached in procedure	Procedure completed

State of the Union

The President of the European Commission made his annual State of the Union speech in the context of the recent turmoil within the Euro zone.

He argued that European integration should not be questioned and that the intergovernmental approach, discordant as it may be, would not help resolve the crisis.

While stating that Greece would remain a member of the eurozone, Mr Manuel Barroso stressed the need to complete the monetary union with a closer economic union. The idea of having a common currency and a single market with national approaches to economic and budgetary policy was purely an illusion in his opinion. He stressed that the Union needed both growth and stability.

Like the European Parliament, the President of the Commission advocated the introduction of a financial transaction tax so that the banking sector could contribute fairly to the costs of the crisis. He also indicated that consideration was being given to the opportunity to introduce eurobonds.

As regards the social aspects, he stressed the need to give priority to the problem of youth unemployment and protested against any attempt to undermine the freedom of movement.

Reactions from the Parliament's political groups:

EPP: regretting that the euro was not equipped with the necessary means to govern it, the President of the Group called for a common EU response to the crisis and the global issues. He welcomed the packet of measures on economic governance but stipulated that the EU should also focus on growth, training, education and SMEs.

S&D: after stating that the current crisis was primarily a management crisis, the Group leader pleaded for the European Union to act as a Community through the institutions, as opposed to through the diplomatic channels, to respond to the current challenges. He urged the governments to adopt rapidly the necessary rules for financial market regulation.

ALDE: highlighting the failure of the intergovernmental method to address the crisis in Greece as well as in the EU on the whole, the Group's leader called for a new transfer of powers to the EU and proposed the creation of an EU Finance Minister within the European Commission.

ECR: the representative of the Group was confident that the citizens were opposed to any further transfer of powers to the EU. He warned that the tax on financial transactions would cause businesses to set up out with the EU. He was of the opinion that the euro was imposed on economies that were too different. He called for the definition of a new European model.

Greens/EFA: the representative of the Group stressed the need to tackle poverty and rising inequality in order to gather public support. She called for priority to be given to education, training and sustainable economic growth. She also complained that the package of measures on economic governance does not properly address the balance between stability and growth.

GUE/NGL: the representative of the Group said that billions of euros were injected into the banks. He wondered where the social justice was given that citizens' standards of living had been reduced. He stressed the value of solidarity which should be manifested by a resistance to government budget cuts.

EFD: the group criticised the fact that most presidents in the EU, and its institutions, have not been elected by direct universal suffrage. He strongly opposed any further transfer of competences to the EU as well as the Community method advocated by the majority of the assembly.